

Statement of Governor Haley Barbour
May 14, 2009

It is unfortunate that some members of the House remain blind to budget realities. At today's session of budget negotiators, for example, State Rep. Dirk Dedeaux, chairman of the House Medicaid Committee, said the federal stimulus money is like manna from Heaven, and just like manna from Heaven it must be eaten that day or it will rot.

If people think the stimulus money is manna from Heaven and we'll get more of it, they are sadly mistaken; unlike manna from Heaven, once this money is gone, it's gone for good. The stimulus money Mississippi will receive was appropriated by Congress to be used over three fiscal years. A responsible budget must push as much money forward as we prudently and legally can in order to deal with the difficult fiscal prospects that await us, especially Fiscal Year 2011 which may be the worst year of the three.

Legislators need to face up to the fact that this budget isn't business as usual. Even with the federal stimulus money, there is not enough revenue to cover everything everybody would like to cover.

The reality is state tax revenue collections are so far below initial projections that if May and June revenues are as bad as April's, the state faces a \$420 million shortfall for the current fiscal year alone. The budget shortfalls for Fiscal Years 2011 and 2012 are likely to be even worse.

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